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- Vizepit8 Vallalat (literally "Hydraulics Trust"), with headquarters at Ulloi ut 2, Budapest, is one of the largest state construction trusts in Hungary. During the early part of 1952, it employed approximately 10,000 workers on some 200 different construction projects scattered throughout the country. The trust specializes mainly in excavations, in the laying of water conduits, and in the building of bridges, although almost all other types of construction are also undertaken to a smaller degree. Much work has been done in the preparation of foundations for military barracks, especially in Eastern Hungary. Once the foundations are laid, another construction firm generally takes over from the Vizepito Vallalat and finishes the project.(1)
- 2. The bridge-building activities of the trust are concentrated on the main highways, running from the Soviet Carpatho-Ukraine through Miskolc and Budapest to the Austrian frontier. Most of these road bridges were demolished during World War III, and only recently has an all-out effort been made to replace the temporary structures now spanning the streams with permanent constructions. All the bridges on the main highway between Miskolc and Budapest are being reinforced or rebuilt to carry 60-ton loads.
- One of the major projects undertaken by the Vizepito Vallalat was the excavation work for an underground factory near the village of Jobbagyi (J 05) in Nograd County. Officials of the construction trust were first told that large underground aircraft hangars were to be gouged out of the earth, but it was later learned that a munitions factory was to be lodged in the caverns. The excavations at Jobbagyi were begun in 1949. A force of 5,000 workers was employed by the Vizepito trust in making the excavations. By the beginning of 1952 the underground factory was reportedly completed and functioning with a labor complement of 3,000 men. The nature of the output is not known. 25X1

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4. The director-general of the Vizepitö Vállalat is Miklós Kovács, a former laborer and in no sense a trained engineer. His functions are almost purely political. The technical chief of the trust is Julius Gossler, the head engineer. Gossler has no engineering degree but has had long years of experience as a project foreman, mainly with bridge-building firms. He is a Communist Party member but is said to be secretly harboring scores of non-Communists and outright enemies of the regime within the trust.

Borsodviděki Mělyépitő Vállalat

- 5. In 1950 or early 1951 the Vizepitö trust was detailed to undertake the construction work involved in the expansion of the steel works at Diosgyor (J 87), near Miskolc. It soon became apparent that this project would occupy over one-third of the technical and working force of the trust, and the Hungarian State Planning Commission decided that in the interest of efficiency a new, independent trust should be organized to take over the job at Diosgyor. The Vizepito engineers and workers at the steel plant therefore were transferred to a new organization called the Borsodvideki Melyepitő Vállalat (literally "Borsod Regional Construction Trust"), with headquarters in Dlosgyor. This new construction trust is occupied exclusively with work at the steel plant. When the expansion project is completed at Diosgyör the trust will continue to function there, working on a much reduced scale to undertake the occasional building and repair work which is constantly under way at a large steel plant of this type. The trust has nothing to do with the various munitions and tank factories currently operating in and around Diosgyör in the Bükk foothills.
- 6. The director general of the new trust is Jözsef Bondor, a native of Transylvania and a former member of the left wing of the old Hungarian Social Democratic Party. Bondor belongs to the Communist Party now, but is said to be on poor terms with the trust's party secretary. The chief engineer of the trust is Ladislas Selmeczi, the real head of the organization. Selmeczi is approximately 43 years of age. He worked together with Bondor in the same construction firm before World War II. He is a Communist Party member but is well-liked by the non-Communist element in the trust and is reported to have protected a number of "subversives" from arrest by vouching for their loyalty and claiming their indispensability.
- Selmeczi's chief engineering assistant is Jôzsef Antal, a fervently pro-Communist individual who for some reason has not been permitted to join the Party.
- 8. The trust's deputy director for administration is Ladislas Majthenyi, a non-Communist, who is in complete charge of the voluminous paper work with which the trust is burdened. His section is not only concerned with preparing the payroll and keeping personnel records but also sees to the housing and feeding of the workers, submits progress reports, and supervises the work of the individual sub-administrators scattered among the various projects at the steel mill.
- 9. Selmeczi, the chief engineer, supervises all other aspects of the trust's work. All the operating division chiefs report to him daily. These include the various project engineers, the chief of the machinery pool (cranes, cement mixers, bulldozers, etc.), the chief of the transport division (who sees to the maintenance of some 150 trucks), and the chief of the material procurement division (one Farago, fnu). The trust employs a total of 60 or 70 engineers; approximately 10 these have engineering degrees.

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Workers and Working Conditions

- 10. When the work began on the expansion of the Diosgyör steel mill it was planned that 6,000 workers should be employed on the project.(2) Owing to the chronic industrial labor shortage in Hungary, only 4,000 men could be found despite the high priority assigned to the expansion program. From the beginning, a number of convict laborers had to be used to swell the ranks of the trust's labor force, and by early 1952 the convict contingent had risen to 1,000.
- 11. The free workers live for the most part in rent-free barracks near the steel plant. There are no dwellings available for families in crowded Diösgyör, so most of the trust's workers live in bachelor dormitories and visit their homes on weekends if they are within commuting distance. The barracks have been newly-erected but can only be described as jerry-built and present an extremely squalid aspect, inside and out. The trust supplies bed and bedding and provides abominable meals at the nominal rate of three forints a plate.
- 12. The convicts, who are, it is believed, exclusively criminals, and not political prisoners, work apart from the free laborers under the supervision of armed guards. At night the convicts sleep in dormitories surrounded by barbed wire and searchlight towers. Despite these precautions, a good number of them are said to have escaped from Diösgyör at one time or another. The convicts receive the same wages as the free laborers, but these wages are paid to the state prison authorities. It is believed that some portion of this money is paid to the families of the convicts.
- 13. Some 300 or 400 gypsies are included in the trust's working force, but they are regarded as extremely unreliable elements. Shey are politically untrustworthy, they are addicted to absenteeism and malingering, they steal government property, and non-gypsy workers refuse to work beside them or live in the same barracks with them, which creates problems in management and administration.
- 14. Unskilled workers of the construction trust earn from 600 to 700 forints per month. Skilled workers earn from 1,000 to 1,500. A junior engineer makes about 2,000 forints per month. The chief engineer, Selmeczi, earns 5,000 forints per month and has the use of a company car. Men working in underground caissons under high atmospheric pressures receive double the ordinary wages, work less then the normal eight-hour shift, are supervised by physicians, and receive special rations which include real coffee.
- 15. The work of the construction trust at Diosgyor goes on around the clock in three eight-hour shifts. The workers are encouraged to work more than the minimum of eight hours, but few elect to do so despite the incentive of liberal overtime pay. Many workers steal away from the sites on Friday afternoons and do not return to Diosgyor until Monday morning. A bonus of 100 forints is paid to every worker who signs on to serve the construction trust for one year; a two-year enlistment yields a bonus of 400 forints.

Accomplishments of the Construction Trust at Diosgyör

16. During 1951 the official plan called for a construction output on the part of the Borsodvideki Melyépitö Vállalat of 140,000,000 forint's worth of work. At the close of the year, however, the trust was able to total up an effort assessed at only 105,000,000 forints.

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- 17. The construction trust is answerable in the final instance to the Ministry of Transport, despite the fact that its work on the expansion of the Diosgyör steel plant is done on behalf of the Ministry of Heavy Industry. This anomalous situation is a result of administrative particularism. The original parent organization of the Borsodvideki Melyepitö Vallalat, the Vizepitö Vallalat, had legitimately come under the jurisdiction of the Ministry of Transport since one of its prime functions was the building of highway bridges. When the steel plant expansion subdivision was split off from the Vizepitö trust, however, the Ministry of Transport refused to relinquish its hold on this organism, and has since that time succeeded in resisting all efforts on the part of the Ministry of Heavy Industry to take it over.
- 18. The prime accomplishment of the Borsodvidéki Mělyépitő trust has been the construction of a large waterworks and aqueduct which has done away with the chronic water shortage which for some decades has plagued the Diosgyör steel plant. The Sajó River was tapped to provide the water. The whole project cost over 20,000,000 forints.
- 19. Despite the apparent solution of the water problem, it was still considered advisable to construct two more cooling towers to supplement the six old pre-war wooden ones. Hot water discharged from the various installations of the plant is pumped up to the towers and cooled there for reuse. In addition to the water cooling towers, the construction trust also built several water warming installations to bring the water to the right temperature for use around the furnaces.
- 20. Second only to the aqueduct in importance is the new smelter which the construction trust helped build for the Diosgyör steel plant. It was erected in record time and was scheduled to begin operating by the beginning of April 1952. Because of certain complications this target date was later advanced to 1 May 1952. The new smelter, which is twice as large as the old ones, supplements the two existing pre-war smelters and has been built immediately beside them. A huge gasometer was moved to make room for it. The Borsodvideki Melyepitö trust merely dug and laid the foundations for the smelter. The rest of the work was preformed by gangs from various of the 27 other state trusts which are active in and around the Diosgyör steel plant.
- 21. The construction trust further assisted in the erection of three new Martin furnaces at Diosgyor during 1951. One was built in the record time of 60 days. The furnace components were procured from Eastern Germany.
- 22. Among the regular minor construction projects is the building of concrete and steel bases for large units of machinery and equipment. The cement used at Diosgyör is always of Hungarian origin. It is delivered in loose form to the construction trust's depot in trucks and is piled in large heaps on the ground and then covered with tarpaulins. Much cement is consequently spoiled by rain.

(1)			25 X ′
(2)	Comment: Since,	the entire Diosgyor steel mill 30,000 workers, it would appear that an expansion	
	of the plant's facilities stitute a decidedly major	calling for 6,000 construction workers would con-	

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